

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO  
March 14, 1956

IN THE MATTER OF:

CASE NO. 1036

TRANSCRIPT OF PROCEEDINGS

**ADA DEARNLEY AND ASSOCIATES**  
COURT REPORTERS  
605 SIMMS BUILDING  
TELEPHONE 3-6691  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
March 14, 1956

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IN THE MATTER OF:

Southeastern New Mexico nomenclature case call-  
ing for the creation of new pools and the  
extension of existing pools in Lea, Chaves and  
Eddy Counties, New Mexico.

- (a) Creation of a new oil pool for Seven  
Rivers production, designated as the Red-  
Lake-Seven Rivers Pool, and described as:

TOWNSHIP 17 SOUTH, RANGE 28 EAST  
Section 10: NW/4

- (b) Creation of a new oil pool for Grayburg  
production, designated as the North  
Shugart-Grayburg Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 31 EAST  
Section 10: SE/4

- (c) Extension of the Caprock-Queen Pool to  
include:

TOWNSHIP 14 SOUTH, RANGE 31 EAST  
Section 8: E/2 SE/4

- (d) Extension of the South Crossroads-Devonian  
Pool to include:

TOWNSHIP 10 SOUTH, RANGE 36 EAST  
Section 15: E/2

- (e) Extension of the Crosby-Devonian gas pool  
to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST  
Section 29: E/2

- (f) Extension of the Lovington-Paddock Pool to  
include:

TOWNSHIP 16 SOUTH, RANGE 36 EAST  
Section 26: SE/4

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(g) Extension of the Maljamar Pool to include: :

TOWNSHIP 17 SOUTH, RANGE 33 EAST  
Section 27: SW/4 :

(h) Extension of the Square Lake Pool to include: :

TOWNSHIP 17 SOUTH, RANGE 30 EAST  
Section 10, NE/4 :

(i) Extension of the Terry-Blinebry Pool to include: :

TOWNSHIP 21 SOUTH, RANGE 37 EAST  
Section 1: Lots 4 and 5 :

(j) Extension of the Townsend-Wolfcamp Pool to include: :

TOWNSHIP 16 SOUTH, RANGE 35 EAST  
Section 4: Lots 13, 14, 15 and 16 :

BEFORE:

Honorable John F. Simms, Jr.  
Mr. E. S. (Johnny) Walker  
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 1036.

D A N N U T T E R ,

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. KITTS:

Q State your name and position, please.

A Dan Nutter, Engineer for the Oil Conservation Commission.

Q You are familiar with Case 1036?

A Yes, sir.

Q Mr. Nutter, included in 1036, Paragraphs (a) through (j),

certain recommendations are made. Turning first to the recommendation in Paragraph (a), state what that is and the basis for it.

A (a) of Case 1036 calls for the creation of a new pool to be designated the Red-Lake-Seven Rivers Pool. The recreation of this pool is based on the discovery well, N. Gordon Phillips Keyes Federal Number 10-A, located in Unit E of Section 10, Township 17 South, Range 28 East. This well was completed February 14, 1952 in the Seven Rivers Formation, depth of the casing shoe is 667 feet.

Q Passing to Paragraph (b), what is your recommendation there, and the basis for it.

A Creation of a new pool in Eddy County to be designated the North-Shugart-Grayburg Pool. The creation is based on The Ohio Oil Company Federal Johnson A Number 1 in Unit P of Section 10, Township 18 South, Range 31 East, producing from the Grayburg Formation; completion date, January 3, 1956, top perforation, 3,957 feet.

Q Your recommendation is as advertised, is that correct?

A That is correct.

Q Paragraph (c), what is your recommendation there and the basis therefore?

A Extension of the Caprock-Queen Pool to include the advertised portion, the east half of the southeast quarter, Section 8, Township 14 South, Range 31 East, also an unadvertised extension consisting of the southeast quarter of Section 4, Township 15 South, Range 31 East, in Chaves County.

Q Now, is this southeast quarter in Section 4, 15 South, 31 East, is that contiguous to the present boundaries?

A Yes, sir, it is contiguous to the present boundaries of the

pool.

Q Paragraph (d), what is the recommendation?

A Extension, as advertised, of the South Crossroads-Devonian Queen Pool, the extension consists of the east half of Section 15, Township 10 South, Range 36 East.

Q What is the basis for it, Mr. Nutter?

A The basis for the extension of this pool is the Texas Pacific Coal and Oil Company, State O Number 1 in Unit J of Section 15, Township 10 South, Range 36 East.

Q Paragraph (e), what is your recommendation and the basis?

A Extension of the Crosby-Devonian Gas Pool in Lea County, New Mexico, consisting of the east half of Section 29, Township 25 South, Range 37 East.

Q The basis?

A For two wells as depicted on the exhibit.

Q Paragraph (f), again state the recommendation and the basis for it.

A Paragraph (f) is a recommendation for the extension of the Lovington-Paddock Pool, said extension to consist of the southeast quarter, Section 26, 16 South, Range 36 East, Velma Petroleum Corporation, Sinclair State Number 1 in Unit P of Section 26, Township 16 South, Range 36 East.

Q Paragraph (g), what is your recommendation and the basis for it?

A A recommended extension of the Maljamar Pool in Lea County, New Mexico; advertised extension of the southwest quarter, Section 27, Township 17 South, Range 33 East, and unadvertised extension of

northwest quarter of the southwest quarter, Section 34, Township 17 South, Range 33 East, basis as demonstrated on Exhibit (g)

Q And the northwest quarter of the southwest quarter, Section 34 is contiguous, is it, to the present pool boundaries?

A Yes.

Q All right, Mr. Nutter, Paragraph (h), what is your recommendation and the basis for it?

A For the extension of the Square-Lake Pool, Eddy County, New Mexico, advertised extensions for the northeast quarter Section 10, Township 17 South, Range 30 East. I would recommend that this advertised extension be adopted and based on the well as demonstrated on Exhibit (h).

Q Paragraph (i), what is the recommendation and the basis for it?

A The extension of the Terry-Blinbry Pool, Lea County, New Mexico; the extension as advertised consisting of Lots 4 and 5, Section 1, Township 21 South, Range 37 East, Moran Oil Producing and Drilling Corporation. Dauron Number 1, Unit E of Section 1, Township 21 South, Range 37 East.

Q And Paragraph (j), Mr. Nutter, again what is your recommendation?

A I would recommend that Paragraph (j), extension for the Townsend-Wolfcamp Pool in Lea County, New Mexico, as advertised, Lots 13, 14, 15, 16, of Section 4 in Township 16 South, Range 35 East, be adopted. Also, that an unadvertised extension consisting of Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, Section 4, Township 16 South, Range 35 East; also the west half of the southeast quarter of Section 8, Township 16 South, Range 35 East; and also an un-

advertised extension consisting of the south half of the south half of Section 36, Township 15 South, Range 34 East be adopted. These extensions are all based on wells as demonstrated on Exhibit J of Case 1036.

Q Now, is all of this unadvertised acreage you spoke of, is that contiguous to the present existing pool boundaries?

A Yes, sir, it is.

Q Mr. Nutter, have you prepared Exhibits (a) through (j), corresponding to each of the advertised paragraphs?

A They were prepared under my direction.

Q You are satisfied as to their accuracy?

A Yes, sir.

Q And they show the recommended extensions together with the basis for the extensions?

A Yes, sir.

MR. KITTS: We offer in evidence, Commission Staff's Exhibits (a) through (j), inclusive.

MR. MACEY: Is there any objection to the introduction of these exhibits? If not they will be so entered. Are there any questions of the witness in this case? If not the witness may be excused.

(Witness excused.)

MR. MACEY: We will take the case under advisement.

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) SS.

I, THURMAN J. MOODY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the Oil Conservation Commission of the State of New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

WITNESS MY HAND, this, the 26<sup>th</sup> day of March, A. D., 1956.

  
Court Reporter